



# **Socioeconomic Institute for Advanced Studies (SIAS)**

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*Pioneering Socioeconomic Solutions  
& Development by Multidisciplinary Holistic Academic Programs*

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# **SIAS Procurement Policy**

**Updated April 2023**

## **LIST OF ACRONYMS**

SIAS	: Socioeconomic Institute For Advanced Studies
DVC (A&F)	: Deputy Vice Chancellor (Admin. & Finance)
APP	: Annual procurement plan
RIE	: Request to Incur Expenditure
PR	: Procurement Requisition
LPO	: Local Purchase Orders
APP	: Annual procurement plan

### **Article 1: The Purpose And Scope of this Policy**

The law No 010/2021 of 16/02/2021 & the Ministerial Order No 001/MINEDUC/2021 of 20/10/2021, the overall purpose of this procurement policy is to ensure that Socioeconomic Institute for Advanced Studies (SIAS) gets the highest quality of desired goods and services at the best prices possible. Further, the policy aims at streamlining the process of procurement while maintaining adequate controls. These procurement procedures apply to all staff involved in the procurement process and to all types of procurement.

### **Article 2: Introduction**

Procurement means the acquisition of goods, works, and services. To comply with the procurement policy all SIAS purchasing processes must follow and keep readily the following available to staff, among others, the following documents:

1. Approved Procurement policies & procedures.
2. Procurement Plans as guided and approved by the Senior Management Committee.

In applying procurement procedures, special attention shall be paid to the following:

- a) The right quality to meet the specified need is vital and it is important to ensure that goods, works, and services are delivered in line with planned schedules. It is also important to procure the correct quantity of materials having regard to the advantages of bulk procurement.
- b) In addition to the price, the procuring entity needs to take into account quality, quantity, source time, internal and external factors, which are crucial to its decision making.
- c) When selecting a supplier, the procuring entity shall endeavour to identify an organization that will meet its needs in quality, quantity timing, and dependability at the lowest cost through the Technical Evaluation process.

### **Article 3: Procurement Planning**

Procurement planning is part of the annual budgeting process. Each head of the department is responsible for planning his/her project's estimated procurement needs on an annual basis through the use of the Annual procurement plan (APP), which indicates the items to be bought in the various quarters of the year. They must therefore monitor the implementation of procurement plans every quarter and make adjustments as necessary in line with the annual budget. The procurement team will use the APP to plan for requisitions. The procurement committee must discuss the APP at the beginning of each year and as needs may arise within the year. The APP will also require the final approval of the project coordinator, who will share it with the DVC for Administration and Finance (DAF) for comments before approval.

*Procurement planning serves to ensure and determine:*

1. What will be procured, at how much, and when.
2. Funds to be committed in all procurements have been budgeted for.
3. All departments must ensure they prepare in advance their Procurement Plans which they will follow during the financial year. The Procurement Plans must be filed with Finance, and the authorized receiving departments. Procurement is a complex function and requires the participation of all actors. It is also important for all actors to coordinate in performing their roles for the success of the procurement function.

### **Article 4: Choice of Procurement Procedure**

Procurement will generally be done using any of the following methods: -

1. Open Tender
2. Quotations

3. Restricted Tendering
4. Single source procurement/Direct procurement
5. Use of dealers and sole suppliers
6. Local purchase orders (lpo) with suppliers

### **(1) Examination and Evaluation of Quotations**

SIAS defined procurement team or admin representative would examination and evaluate the quotations received both by technical and financial evaluation. Where necessary SIAS shall invite expert(s) in the particular concerned area before taking the final decision, especially in purchases is more USD \$1000, or (1,000,000FRW).

Three quotations would need to received, before finalising any sales. During the request for quotations, SIAS team must:

- 1- Request quotations from at least three (3) different bidders, whose names appear on one letter requesting for quotations;
- 2- Inform bidders in the request for quotations of any additional costs to the initial price like transportation, insurance fees, custom duties and taxes and to request them to include the costs in their submitted quotations;
- 3- If the bid is important and it is more than 2 M rwf, SIAS would grant bidders at least two working days counted from the date they were requested for quotations in order to submit their quotations.
- 4- Ensure that the submitted quotations lead to at least simple evaluation report;
- 5- Ensure that the successful bidder is the one with the lowest price and meeting other requirements including the shorter delivery period;

### **(2) Direct or Restricted Tendering Procurement**

SIAS may use direct procurement if the following are satisfied:

- 1- A tender whose value does not exceed 300,000 Rwandan francs may be awarded without resorting to any competitive method.
- 2- There is only one person who can supply the goods, works, or services being procured.
- 3- There is no reasonable alternative or substitute for the goods, works, or services.
- 4- There is an urgent need for the goods, works, or services being procured
- 5- During times of emergency or disaster.
- 6- Where other available methods of procurement are impractical,
- 7- The needed goods, works, or consultancy and non-consultancy services are of highly complex or specialized nature, or are available only from a limited number of bidders.
- 8- The time and cost required to examine and evaluate a large number of tenders would be disproportionate to the value of the goods, works or services to be procured.

This tender is awarded through the procurement team. This agent proposes the tender award to the Deputy Vice Chancellor (Admin & Finance) for approval at the first and the second level respectively.

### **(5) Negotiation with Suppliers**

To ensure quality, reliability, and timeliness, SIAS procurement team may establish purchase negotiation with specific dealer to negotiate rates and discounts or to determine the price for invoice justification.

### **(6) Annual Contract Agreement**

SIAS might do agreements in different areas of speciality or relevant to different support services. These agreements and prices should be reviewed annually to ensure that they are competitive and address the institution purposes. DVC (Admin & Finance) would both be involved in budgeting for such agreements and also in its annual evaluation.

## **(6) Local purchase orders (lpo) with suppliers**

The LPO is a contract with suppliers, that are in the surrounding area of the institution, should include all information regarding the goods and services being procured as well as standard terms of delivery, payment, and arbitration in case of a dispute. If contracts are precise and clear, possibilities of disputes will be reduced and SIAS will stand a far greater chance of receiving the goods and services as expected. Upon selection of a supplier, a legally binding contract or work order should be drawn up for the goods and services in question and signed by both parties prior to procurement.

Detailed specifications; quantities, unit prices, delivery deadlines, locations, and payment schedules must be specified in such contracts. This process is done under the supervision of the DVC (Administration & Finance).

## **(7) Confidentiality**

During or after procurement proceedings, no procuring entity and no employee or agent shall disclose the following:

1. Information relating to a procurement whose disclosure would impede law enforcement or whose disclosure would not be in the public interest;
2. Information relating to procurement whose disclosure would prejudice legitimate commercial interests or inhibit fair competition;
3. Information relating to the evaluation, comparison or clarification or tenders, proposals or quotations; or
4. The contents of tenders, proposals, or quotations.

## **Article 5: Controls on Procurement**

Goods and services will only be procured within approved budgets except in case of emergencies, which has to be considered by the DAF and approved by the VC. . Thus, in addition to being responsible for preparing the APP/budget, the departmental heads should ensure that actual procurement throughout the year remains within the budget. The financial office shall assist the procurement team in conducting periodic checks on procurement activities to ensure that they conform to APPs, partner specific procurement requirements, and SIAS policies and procedures.

## **Article 6: Supplier Selection**

Careful selection of suppliers s should be done to ensure that the best possible price, quality, and delivery time available within the markets is obtained. A list of suitable vendors (the list of pre-qualified suppliers ), for each type of goods and services based on letters of introduction and past performance, shall be maintained. This will make the process of vendor identification much faster. The supplier list shall be reviewed and updated periodically to ensure that current known factors are taken into consideration. Once the previous year's list of vendors has been updated and approved by the procurement committee, procurement of goods and services can be processed. Supplier selection for inclusion on the list of pre-qualified vendors will take place once per year and will be done by the procurement committee.

The following set of criteria is essential for deciding on the choice of vendors:

1. Quality of goods/services. Such a justification must be verifiable
2. Price
3. Availability of goods/services within the required delivery time.
4. After-sale services, including the availability of parts/supplies.
5. Bidder's previous records of performance and service.
6. Ability of bidder to render satisfactory service in this instance.
7. Financial stability of the vendor.
8. Availability of bidder's representatives to call upon and consult with

9. Payment terms
10. Warranty offered.
11. Ability to provide samples

#### **Article 7: Certifying Delivery of Goods And Services**

The procurement process cannot be completed without certification that the goods and services procured have been received, examined, and approved in accordance with the specifications and the prices that are in accordance with the order or contract; and that the amount is arithmetically accurate.

In all cases, the certification of receipts of goods and services is a prerequisite to SIAS and the following guidelines are essential for that purpose.

1. The procurement office should ensure that goods and services are checked against contracts, waybills, invoices, or delivery notes.
2. Requisition department at the time of delivery will facilitate the receiving and checking of goods and services whereby the receiving person will have to sign the delivery notes or any other documents during delivery.
3. Physical checking should be done by the requisitioning department and not by the procurement office.
4. In some cases, receiving of goods and physical checking of goods or services may be delegated to other SIAS teams who are authorized by the DVC (AF). Such might include cases where goods or services are delivered directly to a project field location; or where a specialist's technical certification is required.
5. Any difference between documents done, physical checks should be noted and reported to the procurement team for action.

#### **Article 9: Receiving Procedures**

Once Procurement Procedures are certified and a Local Purchase Order is issued, the supplier (vendor) is required to deliver the goods/services to SIAS team Leader or the SIAS procurement team representative. The following procedure is followed: -

1. The delivery is checked against the Local Purchase Order for confirmation that the specifications requested have been adhered to.
2. If goods are acceptable in terms of quality, quantity, and specifications then the delivery note is signed by the SIAS team Leader or the SIAS procurement team representative.
3. The goods are then directly fixed or stored in an appropriate place with approval of the receiver while payment of the invoice is done by DVC (AF).

#### **Article 10: Payment-Processing Procedure**

The procurement and logistic team is responsible for preparing payment requisition. The document is then sent to the finance department for checking, certifying and necessary approval and authority to pay. All payments must be made in accordance with the contractual terms between the vendor and SIAS and in reference to the financial policies. SIAS shall not be bound for goods/services supplied without an official order. The procurement process will be considered complete once the supplier has been paid.

#### **Article 16. Procurement Committee**

To ensure transparency, competition; economy; efficiency; fairness; accountability, SIAS has put into place a Tender Committee for a term of two years' renewable once to conduct the bids opening, evaluation, and recommendation for the award of procurement contracts. The procurement Team is the secretary of the tender committee. It is prohibited for members of the tender committee or any other person involved in the procurement process to participate in the award of a tender in which the following persons are involved: his or her relative up to the second degree; his or her former

employer; a person with whom they have a financial interest; the bidder who has an agreement with them or s/he is expecting employment or any other benefit from the bidder.

Members of the tender committee are proposed by the senior management committee and approved by the Council. The Tender Committee shall work independently and report to the VC's office.

The Functions Of The Tender Committee Shall Be To:

1. Review, verify and ascertain that all procurement and disposal has been undertaken in accordance with the SIAS Procurement policy, and the terms set out in the tender documents;
2. Approve the selection of the successful tender or proposal;
3. Award procurement contracts in accordance with thresholds prescribed in the first schedule;
4. Ensure that SIAS does not pay more than prevailing market prices;
5. Review and prove aggregation of procurements where proposed;
6. Review and approve the use of lots where packaging into lots has been proposed;
7. Review the selection of procurement method and where a procurement method, other than open tender, has been proposed, to ensure that the adoption of the other procurement method is in accordance with the Procurement policy
8. Approve the list of tenderers in cases of restricted tendering under the regulation of SIAS Procurement policy;
9. Approve the list of persons qualified to submit proposals.
10. Approve the list of persons to be given requests for quotations.
11. Conduct negotiations under SIAS Procurement policy.
12. Negotiate the amendment of contracts previously awarded by the Tender Committee, in accordance with SIAS Procurement policy;
13. Review the quarterly reports on quotations that have been awarded;
14. Undertake any other functions and duties as provided under SIAS Procurement policy or as may be stipulated by Vice Chancellor.

The Institution shall not pay for any goods and/or services until deliveries have been made against an Institution Purchase Order and are found to be satisfactory for the intended purpose. However, a supplier may require payment in advance of delivery under certain circumstances. In such circumstances, the advance shall be subject to negotiation between the supplier and SIAS but not exceed 30% of the value of the goods or services..

**Appendix 1: Local Purchase Order**

**PURCHASE ORDER No:.....**

*Date.....*

SUPPLIER.....

DELIVERTO.....

Quantity		Particulars	Unit Price	Total Price
Ordered	Received			
<b>Total</b>				

Prepared by: .....

Date.....

Verified by: .....

Date.....

Approved by: .....

Date.....



**Appendix 2: Goods Received Note**

No	Description of stock item	Physical Items Receipts (In Units)	Unit cost (RWf)	Total Cost (RWf)
	TOTAL			

Verified for Condition by: ..... Date.....

Designation.....

Agreed to Delivery Note by: .....Date.....

Designation.....

Received by.....Date.....

Designation.....

General Ledger updated by: .....Date.....

Designation.....

## VERSION CONTROL

Version Number	1
Prepared by	Dr. Mohamed Buhijji
Version Reference number	SP/33/2023
Description	SIAS Purchasing Policy
Policy owner	Socioeconomic Institute for Advanced Studies (SIAS)
Responsible division	Quality Assurance Coordinator & SIAS Council
Internally validated	Yes
Date of Internal Validation	1/4/2023
Approved by	SIAS Governance Board
Date of approval	11/4/2023
Amendments	0
Proposed Review date	2024
Web address of this policy	<a href="http://www.sias.rw/">http://www.sias.rw/</a>



## APPROVAL FORM

**Checked by:**

**Signature:**



**DR. Donya Ahmed**  
**Vice Chancellor**  
**Socioeconomic Institute for Advanced Studies**

**Approved by:**

**Signature:**



**DR. Mohamed Buhiji**  
**Founder & Chairman of the Board of Trustees**  
**Socioeconomic Institute for Advanced Studies**

